

Department of Veterans
Affairs

Office of Small and
Disadvantaged Business
Utilization (OSDBU)

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REMEMBERING THE
KOREAN WAR VETERAN

THE BEACON

Published By:
OSDBU
810 Vermont Ave. NW
Washington, DC 20420

Notes from Scott

May was Public Service Recognition Month and Small Business Month. The theme for this year's Small Business Month was "A History of Success, a Millennium of Opportunity." The celebrations offered us an opportunity to highlight the efforts of VA's Small Business Specialists, Contracting Officers, Program Managers and Executives who promote work with the small business community. Every 2 out of 3 workers in America is employed in a small business. The dollars we spend with small businesses help neighborhoods develop and flourish. As one of the largest Federal agencies and one of the most decentralized procurement organizations in Government, VA Small Business Specialists have significant challenges. They must maintain awareness of buying practices in a wide variety of product and service industries. They must maintain their knowledge of Federal and VA procurement rules and rapidly changing business practices. Finally, they must communicate with the citizens and business owners in their community

about economic opportunities with our Department. We wish to recognize the efforts of all of the VA Small Business Specialists at all of our facilities nationwide.

FY 1999 Small Business Program Awards

Each year, the Secretary recognizes VA facilities that strive to exceed the Department's goals. Due to a complex process, which is currently being examined for re-engineering, the Federal Procurement Data System does not provide agencies with finalized end-of-Fiscal Year accomplishment data until the end of March for prime contracts and the end of April for subcontracting activity. We then need to obtain internal concurrence on the honorees from VA's major administrations and from the Office of Human Resources. So, while May seems a significant period of time since the end of last year, for awards delivery, this is not unusual. While we are naming certain individuals, please be aware to be considered for the Secretary's award program requires conscientious commitment throughout the facility. Space does not permit us to recognize each

contracting officer, purchasing agent and program manager in this newsletter. A list of the award winners appears on the following pages.

Update on P. L. 106-50 “The Veterans Entrepreneurship and Small Business Development Act of 1999”

The Office of Small and Disadvantaged Business Utilization (OSDBU) has been working with the Small Business Administration and the Department of Labor to sign a Memorandum of Understanding between the three agencies.

OSDBU has contacted the larger Government agencies for designation of the Small Business Veterans Advocate within each agency. This office is looking to meet with all of the advocates to discuss how the agencies can work together to help meet the goals established by the passage of P.L. 106-50. OSDBU is planning on scheduling a meeting with the advocates in the upcoming months.

There are several avenues for procurement officials to identify veteran-owned businesses, SBAs PRO-NET, and DoDs CCR system can be accessed via the Internet. These are both good tools for identifying veteran-owned business. PRO-NET can be accessed at <http://pro->

net.sba.gov/ and DoDs CCR can be accessed at <http://www.ccr2000.com>.

There are still several issues pending in regards to the law, several of the issues are: the FAR rule, which as of yet has not been issued; the Board of Directors of the Veteran Corporation is to be appointed by the President; and the MOU with DOL is yet to be signed. This office will keep the field informed of progress made in the implementation of these new programs.

VA Efforts to Promote HUB Zone Program

Here is a recap of what VA's done so far to support the HUB Program. Other efforts not specifically identified include counseling at each of the small business conferences OSDBU staff and local representatives attend.

Leadership Support:

Secretary Togo D. West, Jr., addressed the HUB Zone Small Business Program in his March 12, 1999 and January 13, 2000 goal letters to all VA offices.

Director, OSDBU, obtains VA leadership commitment to include Small Business Programs in one of the 5 goals in VA's proposed departmental Strategic Plan. (November 1999)

Director, OSDBU, meets with Senate Small Business Committee staff and other OSDBU Directors to address impact of small business programs - pros and cons (November 1999); Director

responds to written inquiry from the Committee in March 2000.

Program Communications :

Employee News letter (OSDBU Update) articles in August 1998; October 1998; January 1999. Status article, March 2000.

External Newsletter (OSDBU Beacon) inaugural issue article - Summer 1999

Standard Operating Procedure - Subcontracting Program; coverage released March 1999 as an attachment to the OSDBU Update.

HUB Zone Program Toolkit for Contracting Officers - September 1999, attachment to the OSDBU Update.

Information Letter #00SB-99-1, Reporting of HUB Zone Program, Small Disadvantaged Business and Very Small Business Awards, dated May 13, 1999, distributed to all contracting activities, heads of contracting activities and VISN Logistics Managers.

Information diskette with HUB Program materials and exercises distributed at VA education meetings and conferences.

Education and Training Support:

VA Employee/Management Conferences: OSDBU provided in-depth training to the Heads of Contracting Activities (July 1999); Logistics Officers (July 1999); Contracting Officers' Forums (March, April & June 1999); November 1998); Project Managers and Contracting Officers in the Office of Facilities Management (August 1999); National Acquisition

Center Contracting Officers (March 1999); Veterans Health Administration (VHA) Network Directors (May 1999); VHA Veterans Integrated Service Network (VISN) contracting and program personnel VISNs 4, 5, 7, 8, 12, 15, 21, and 22. OSDBU staff travel to the VISNs to provide this training. The VISN provides local support costs for their personnel. VISN 4 utilized satellite call technology to deliver training in that network.

VA Small Business Specialist Orientation Program course and presentation material - March 1999.

Funded tuition for VACO personnel to attend 2-day New Programs Training sponsored by the Small Business Administration in November 1998, which included a module on the HUB Program. We distributed the course schedule electronically to VA field facilities to encourage local VA attendance at this training program that SBA was conducting across the nation.

Featured Speaker, HUB Zone Program Opportunities Conference, Albuquerque, NM sponsored by the Department of Energy (December 1998);

HUB Zone Program Conference, Detroit, MI; hosted by VA, sponsored by the Mayor's Office (August 1999)

DoD-Sponsored Procurement Technical Assistance Center Conferences and DoD Regional Small Business Council Programs - VA presentations on HUB Program in Biloxi, MS (November 1999); Shreveport, LA (November 1999); Reno, NV (November 1999).

Keynote Speaker on HUB Zone Program at the National Contract Management Association Chapter Meetings in Chicago (March 1999) and Frederick, MD (October 1999).

HUB Zone Program an agenda topic at VA-sponsored Veteran-owned Business Conferences in Cleveland, Columbus and Cincinnati (November 1999)

Director, OSDBU, addresses 1999 Leadership VA Class - approximately 100 participants regarding small business programs (November 1999)

Procurement Executive's Council, Small Business Programs Working Group - Pilot Course on Small Business Programs.

VA co-sponsored the White House Community Empowerment Board HUB Zone Conference in Washington, DC (February 8-9, 2000) with other major Federal agencies. We express our appreciation for the outstanding support offered by:

Office of Acquisition and Materiel Management

Dave Derr
Jeanette Tatum
Arlyce Dubbin
Valerie Moody
Kathleen Eastberg
Tyrone Lassiter

Office of General Counsel:
Len Malamud

Office of Administration:

Mel Daley Gloria Jordan

VA Medical Center,
Washington, DC:

Joan VanMiddlesworth
Hazel France
Phyllis Jackson

HUB Program Featured Topic at the Federal Facilities Council meeting (March 2000)

Vendor education provided through presentations and informational diskettes distributed at all trade shows and conferences beginning in Fiscal Year 1999. Additionally, OSDBU sponsors monthly VA Vendor Meetings in Washington, DC.

Conference information is supplemented by OSDBU staff through electronic and one-to-one counseling for vendors requesting our assistance. We have begun screening incoming vendor calls to determine if their addresses are in designated HUB Zones and making appropriate referrals for positively identified firms.

Pre-Bid workshops (August-October 1999) for Office of Facilities Management construction projects addressed HUB Zone requirements and subcontracting program opportunities. OSDBU staff presented the information and provided counseling to vendors.

Significant FY 1999 activity:

In July 1999, SBA convened a conference call of all participating agencies. At that time only 2 significant awards of approximately \$2 million each had been made by the Department of Defense. Subsequently, VA's Tucson,

Arizona facility has made an award of \$2.3M to Sun Belt Builders, Inc. under full and open competition procedures and a second award to the same firm for \$463K under HUB Zone -8(a) procedures. The Office of Acquisition and Materiel Management also made a significant award to a HUB Zone concern. The award was protested to the General Accounting Office on a matter not related to the HUB Zone status. The protest was upheld. The requirement was re-competed and subsequently awarded to a non-HUB Zone concern.

Other Fiscal Year 1999 accomplishments as manually reported by the facilities:

VAMC Big Spring, TX, HUB Zone small business set-aside award to Cruz Construction for \$475K

VAMC Leavenworth, KS VISN 15 HUB-8(a) award to Henderson Partnership Construction for \$342.5K

Amarillo, TX, Full & Open Award to Cruz Construction for \$497.9K.

Roseburg, OR, HUB Zone small business set-aside award to Roseburg Paving for \$24.9K

Stations reporting HUB awards in the Under \$25,000 Summary Report include: Jackson, MS - 1112 actions for \$2.2M; New Orleans, LA - 4 actions for \$117K; West Palm Beach, FL 3 actions for \$67K; Amarillo, TX, 2 actions for \$25.6K; and Sheridan, WY 64 actions for \$11.2K.

Fiscal Year 2000 Activity:

VAMC Washington, DC's award to Battles Transportation for patient beneficiary transport services was a featured presentation at the White House Community Empowerment Board HUB Zone Conference in February 2000. This award is estimated to exceed \$4 million over the term of the contract. We want to congratulate and applaud the efforts of the Washington, D.C. staff for their proactive approach to supporting this program. Joan VanMiddlesworth, the supervisory contracting officer and Small Business Specialist, challenged the staff to research incumbent contractors and firms known to have marketed their facility recently. The staff accessed the HUB Zone site on SBA's web page (<http://www.sba.gov/hubzone/>) and entered addresses of their vendors. Battles Transportation was identified as doing business in a designated HUB Zone. The staff contacted Mr. Battles, provided him with information about the program and encouraged him to submit application to SBA for program eligibility. Even more importantly, they followed through with Mr. Battles at a later date to check on the status of his application. While the application was being processed, the staff worked with VA officials at the facility to educate them about the benefits of the HUB Program and its potential impact on the local community. With everyone onboard, the beneficiary transportation requirement was released as a HUB Zone set-aside. This is outstanding small business program support. Thank you Joan, Hazel France, and

Phyllis Jackson.

First quarter data for other HUB actions is not yet available from the Federal Procurement Data System and will be reported in a future article.

FY 2000 HUB Program Action Plan

As a large agency with a number of smaller dollar value actions, we believe VA is in a position to take a leadership role among Federal agencies in our support for this program. Some actions underway and planned include:

FPDS Reporting: Unlike FY 1999, you may now report HUB data as part of your routine FPDS entries. We believe this will permit us to capture a much larger percentage of dollars and actions since you will not have to remember to file a separate manual report.

Change the purchase card reporting format so that you can enter HUB Zone data in your manual reports.

Develop an action plan with the Small Business Administration to improve HUB Zone program performance. This initiative is already underway. We've had an initial meeting, drafted a proposed plan and will meet again before the end of the month. Once finalized, we will share the model with other participating Federal agencies.

Who are the HUB Zone Firms?

In Fiscal Year 2000, VA has a 1.5% goal of our total procurement dollars in prime contract awards to be spent

with HUB Zone certified concerns. Using a very rough estimate of a total procurement figure of \$4 Billion, our target is approximately \$60 Million for the agency. To reach this, we must be confident that businesses in the HUB Program provide products and services in our business lines and that these businesses are ready to perform as prime contractors for us.

On March 15, we queried SBA's Pro-Net vendor database (<http://www.pro-net.sba.gov>) to learn more about these firms. Here's what we found:

?? 924 firms had been certified. Some firms may have multiple entries. They include:

?? 436 providing services

?? 304 in construction

?? 126 in Research and Development

?? 207 in Products

We searched for firms that help contracting officers meet multiple goal categories. We found:

?? 206 are certified as HUB - 8(a) eligible firms

?? 282 are SDB certified HUB firms

?? are women-owned HUB firms

?? 170 are veteran-owned HUB firms

?? 88 are Native American HUB firms

?? 18 are service-disabled veteran-owned HUB firms

We searched by Standard Industrial Classification Code Major 2-Digit Groups. Some firms offer multiple SICs. Detailed findings for all SIC groups will be posted on our web page. The most well-populated SICs are:

?? SIC 87, Engineering Services (including architect-engineers) - 316 firms

?? SIC 73, Business Services - 300 firms

?? SIC 17, Special Trade Construction - 282 firms

?? SIC 15, General Construction - 233 firms

?? SIC 16, Heavy Construction - 187

What do we do next?

Learn how to use best use the HUB companies offering services and products in our business lines. Some firms may be ready to work for VA as subcontractors. Others will qualify as prime contractors. We will research their capabilities, provide the companies with information about VA and feedback information to VA facilities close to the companies.

Initiate a targeted marketing campaign for FY 2000 construction and design actions - educate VA officials, do specific informational mailings to the HUB firms, etc.

Screen incoming vendor queries and visitors for program eligibility. Obtain lists of incumbents from facilities and match them for program eligibility. Do industry specific market research at the request of individual facilities.

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FY 2000 Socioeconomic Award Winners

VISN Achievements:	VISN	Site	CLO
Small Business	3	Bronx, NY	Perry Danner
Minority-Direct SB	13	Minneapolis, MN	Tim Dacy
8(A) Business Development Program	3	Bronx, NY	Perry Danner
Women-owned SB	16	Jackson, MS	Janet Woerner
Veteran-owned SB	5	Washington, DC	Kaiser Braham
Vietnam Era Veteran-owned SB	14	Iowa City, IA	Karla Long
Disabled Veteran-owned SB	21	San Francisco, CA	Doss Miller
Historically Underutilized Business Zone Small Business Program	18	Tucson, AZ	Ron Bednarz

The following facilities exceeded all goals:

City	Small Business Specialist
Biloxi, MS	Kenneth Johns
Fayetteville, AR	Victor Pongonis
Muskogee, OK	Marty Traxler
Shreveport, LA	Herman Chelette
Washington, DC	JoanVanMiddlesworth

The following facilities are recognized for Small Business Program Support:

City	Small Business Specialist	Ranking
Clarksburg, WV	Joe Boggs	1 st
Boise, ID	Carol Barr	2 nd
Columbus, OH	Richard Hardy	3 rd

The following facilities are recognized for Minority-Direct Small Business Support:

City	Small Business Specialist	Ranking
El Paso, TX	Dan Portillo	1 st
Fort Meade, SD	Neil Ondriezek	2 nd
Fargo, ND	Ed Stalheim	3 rd

The following facilities are recognized for 8(a) Business Development Program Support:

City	Small Business Specialist	Ranking
Clarksburg, WV	Joe Boggs	1 st
Canandaigua, NY	Cherie Widger-Kresge	2 nd
Indianapolis, IN	Craig Earles	3 rd

The following facilities are recognized for Women-Owned Small Business Support:

City	Small Business Specialist	Ranking
Little Rock, AR	Djuna Roberts	1 st
Fort Meade, SD	Neil Ondriezek	2 nd
Muskogee, OK	Marty Traxler	3 rd

The following facilities are recognized for Veteran-owned Small Business Support:

City	Small Business Specialist	Ranking
Fargo, ND	Ed Stalheim	1 st
Columbus, OH	Richard Hardy	2 nd
Washington, DC	Joan VanMiddlesworth	3 ^d

The following facilities are recognized for Vietnam Era Veteran-owned Small Business Support:

City	Small Business Specialist	Ranking
Biloxi, MS	Kenneth Johns	1 st
Lincoln, NE	Leigh Porter	2 nd
Fayetteville, AR	Victor Pongonis	3 rd

The following facilities are recognized for Disabled Veteran-owned Small Business Support:

<u>City</u>	<u>Small Business Specialist</u>	<u>Ranking</u>
Atlanta, GA	Aida Charnholm	1 st
Battle Creek, MI	Debbie Fischer	2 nd
Prescott, AZ	Katheryn Bernal	3 rd

The following facilities are recognized for Historically Underutilized Business (HUB) Zone Small Business Program Support. This is the inaugural year for this program and awards to HUB Zone certified businesses were difficult to make since there were very few firms eligible for the program. The efforts undertaken by the facilities noted below are especially important, since the HUB Program exists to foster economic development of communities, not of individual small businesses.

<u>City</u>	<u>Small Business Specialist</u>	<u>Ranking</u>
Tucson, AZ	Katheryn Bernal	1 st
Jackson, MS	Brenda Stewart	2 nd
Amarillo, TX	Bob Auffrey	3 rd

The following organizations are receiving Special Achievement Certificates, as noted:

Office of Acquisition and Materiel Management for Women-Owned Small Business

Office of Facilities Management for Small Business Achievements

National Cemetery Administration for Small Business Achievements

Denver Distribution Center for Small Business Achievements

VACO's Office of Administration for Women-owned Small Business Achievements

VAMC Bronx, NY for Disabled Veteran-owned Small Business Achievements

VAMC Brooklyn, NY for Disabled Veteran-owned Small Business Achievements

Austin Automation Center for Sustained Superior Support for Small Business Programs